

Maskeliya Plantations PLC

Interim Financial Statements



**FOR THE NINE MONTHS ENDED
31 DECEMBER 2012**

BALANCE SHEET

	As at 31/12/12 Rs. ' 000	As at 31/12/11 Rs. ' 000	As at 31/03/12 Rs. ' 000
ASSETS			
NON CURRENT ASSETS			
Leasehold Property	203,645	209,868	208,275
Immovable estate assets on finance lease (other than leasehold property)	123,818	134,524	131,255
Tangible assets other than immature/mature plantations	647,253	697,129	681,322
Immature/Mature Plantations	1,764,970	1,566,673	1,640,887
Biological Assets - Timber Plantation	613,208	-	613,208
	<u>3,352,894</u>	<u>2,608,194</u>	<u>3,274,947</u>
CURRENT ASSETS			
Inventories	573,356	473,045	432,673
ACT Recoverable	47,926	47,926	47,926
VAT Receivable	21,034	21,036	21,033
Trade and other Receivables	133,838	98,046	128,290
ESC Recoverable	27,976	18,481	23,673
Amount due from Related Parties	2,520	4,765	2,555
Cash and Bank balances	176,923	7,275	4,778
	<u>983,573</u>	<u>670,574</u>	<u>660,928</u>
TOTAL ASSETS	<u>4,336,467</u>	<u>3,278,768</u>	<u>3,935,875</u>
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Stated Capital - Note 03	673,721	350,000	350,000
General Reserve	540,000	540,000	540,000
Accumulated Profit/(Loss)	470,550	(417,634)	290,929
TOTAL EQUITY	<u>1,684,271</u>	<u>472,366</u>	<u>1,180,929</u>
NON CURRENT LIABILITIES & DEFERRED INCOME			
Interest Bearing Loans & Borrowings	553,419	424,999	396,707
Retiring Benefit Obligations	850,424	1,023,523	882,848
Deferred Income	237,225	250,922	246,088
Net liability to lessor payable after one year	119,583	121,469	120,954
	<u>1,760,651</u>	<u>1,820,913</u>	<u>1,646,597</u>
CURRENT LIABILITIES			
Trade & Other payables	436,364	409,097	438,103
Dividend payable	2,009	2,009	2,009
Amount due to Related parties	274,759	201,828	209,437
Interest Bearing Loans & Borrowings	176,580	370,793	456,967
Net liability to lessor payable within one year	1,833	1,762	1,833
	<u>891,545</u>	<u>985,489</u>	<u>1,108,349</u>
TOTAL EQUITY AND LIABILITIES	<u>4,336,467</u>	<u>3,278,768</u>	<u>3,935,875</u>

	Rs.	Rs.	Rs.
Net Assets Per Share	31.22	17.51	43.78

The above figures are subject to audit


These Financial Statements are in Compliance with the requirements of the Companies Act No. 07 of 2007.



Jagath Dissanayake
Group Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Approved and signed for and on behalf of the Board of Directors of Maskeliya Plantations PLC.



S S Poholiyadde
Director
Colombo



J H P Ratnayeke
Director

07 February 2013

INCOME STATEMENT

	Quarter Ended			Nine Months Ended		
	31 December		Variance	31 December		Variance
	2012	2011		2012	2011	
	Rs. ' 000	Rs. ' 000	+ / (-) %	Rs. ' 000	Rs. ' 000	+ / (-) %
Revenue	1,002,060	825,560	21	2,722,918	2,325,384	17
Cost of Sales	(798,051)	(768,375)	(4)	(2,295,111)	(2,663,095)	14
Gross Profit / (Loss)	204,009	57,185	257	427,807	(337,711)	227
Other Operating Income	11,598	2,840	308	22,426	10,088	122
Gain on Change in Fair Value of Biological Assets	-	-	-	-	-	-
Administration Expenses	(8,708)	(11,213)	22	(32,706)	(34,055)	4
Management Fee	(53,994)	(35,421)	(52)	(140,879)	(99,322)	(42)
Finance Cost	(29,011)	(27,952)	(4)	(97,026)	(75,256)	(29)
Profit /(Loss) before Taxation	123,894	(14,561)	951	179,622	(536,256)	133
Income Tax Expense	-	-	-	-	-	-
Net Profit/(Loss) for the period	123,894	(14,561)	951	179,622	(536,256)	133
	Rs.	Rs.		Rs.	Rs.	
Basic Earnings Per Share	3.69	(0.52)		5.35	(19.30)	

The above figures are subject to audit

CASH FLOW STATEMENT

For the Nine months ended	31/12/2012	31/12/2011
CASH FLOWS FROM OPERATING ACTIVITIES	Rs. ' 000	Rs. ' 000
Net Profit before Taxation	179,622	(536,256)
ADJUSTMENTS FOR		
Depreciation/Amortization	78,874	76,851
Provision for Defined Benefit Plan Cost	57,849	324,570
Amortisation of Grants	(7,470)	(7,470)
Profit on Disposal of Property, Plant & Equipment	-	(1,225)
Finance Costs	97,027	75,256
Operating Profit before Working Capital changes	405,902	(68,274)
(Increase)/Decrease in Trade and other receivables	3,557	74,584
(Increase)/Decrease in Inventories	(147,902)	19,962
Increase/(Decrease) in Trade and other payables	(409)	(28,046)
Increase/(Decrease) in amounts due to Related Parties	77,164	15,960
(Increase)/Decrease in amounts due from Related Parties	35	3,142
Cash Generated from Operations	338,347	17,328
Finance Costs Paid	(76,401)	(56,320)
Defined Benefit Plan Costs paid	(90,272)	(49,031)
Tax Paid	(6,189)	(6,002)
Net Cash from Operating Activities	165,485	(94,025)
CASH FLOWS FROM INVESTING ACTIVITIES		
Grants Received	(1,393)	5,594
Proceed from Sale of Property, Plant & Equipment	-	1,225
Field Development Expenditure	(148,025)	(190,434)
Purchase of Property, Plant & Equipment	(8,796)	(10,019)
Proceeds from Issued of Ordinary Shares	323,721	
Net Cash used in Investing Activities	165,507	(193,634)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends Paid	-	(19)
Payment of Government lease rentals	(35,173)	(6,821)
Proceeds from loans	300,000	345,000
Payment of loans	(101,670)	(161,632)
Net Cash from Financing Activities	163,157	176,528
Net Increase/(Decrease) in Cash & Cash Equivalents	494,149	(111,131)
A. Cash & Cash Equivalents at the beginning of the period	(317,226)	(88,261)
B. Cash & Cash Equivalents at the end of the period	176,923	(199,392)
NOTE A		
Cash & Cash Equivalents at the beginning of the period		
Call Deposit		-
Cash & Bank Balances	4,778	8,664
Bank Overdrafts	(322,004)	(96,925)
	<u>(317,226)</u>	<u>(88,261)</u>
NOTE B		
Cash & Cash Equivalents at the end of the period		
Call Deposit		-
Cash & Bank Balances	176,923	7,275
Bank Overdrafts	-	(206,667)
	<u>176,923</u>	<u>(199,392)</u>

The above figures are subject to audit

STATEMENT OF CHANGES IN EQUITY

	Stated Capital Rs. ' 000	General Reserve Rs. ' 000	Retained Earnings Rs. ' 000	Comprehensive	Total Rs. ' 000	Total Equity Rs. ' 000
				Income Revaluation surplus on Timber plantation Rs. ' 000		
Balance as at 31 March 2011	350,000	540,000	118,622	-	118,622	1,008,622
Net profit/ (Loss) for the period			(536,256)		(536,256)	(536,256)
Balance as at 31 December 2011	350,000	540,000	(417,634)	-	(417,634)	472,366
Balance as at 31 March 2012	350,000	540,000	(251,760)	542,689	290,929	1,180,929
Proceeds on Right Issue	323,720	-	-	-	-	323,720
Net profit/(Loss) for the period	-	-	179,622	-	179,622	179,622
Balance as at 31 December 2012	673,720	540,000	(72,138)	542,689	470,551	1,684,271

The above figures are subject to audit

NOTES TO THE FINANCIAL STATEMENTS

For the Nine Months Ended 31 December	Quarter Ended		Nine Months Ended		Year ended
	2012	2011	2012	2011	31 March
	Rs.	Rs.	Rs.	Rs.	Rs.
1 Market Price per Share					
- Last Traded price (For the quarter)	12.70	20.00	12.70	20.00	17.10
- Highest (For the quarter)	20.80	25.00	21.00	31.00	31.00
- Lowest (For the quarter)	10.10	16.00	10.00	16.00	13.50
2 There have been no material events occurring after the Balance Sheet date that require adjustment or disclosure in the Financial Statements.					
3 Stated Capital of Maskeliya Plantations PLC amounts to 673,720,950 represented by 53,953,490 shares.					
4 The presentation and classification of figures for the corresponding period of the previous year have been amended , where relevant to be comparable with those of current year.					
5 Net assets per share as at December 2011 has not restated consequent to the right issue of shares in the third quarter of 2012/13.					
6 The above figures are provisional and subject to Audit. The Interim Financial Statements of the Company have been prepared on the basis of the same accounting policies and methods applied for the year ended 31 March 2012 and are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. Further, provisions of the Companies Act No.7 of 2007 have been considered in preparing the Interim Financial Statements of the Company.					
The Company is in process of adopting Sri Lanka Accounting Standards (SLFRS/LKAS) with effect from 1st April 2012 and the impact to the Statement of Comprehensive Income and Net Assets base has not been determined since such work is presently in progress. The Interim Financial Statements are also prepared in accordance with the second option given in the "Ruling on the Comparative Figures in the Interim Financial Statements" issued by The Institute of Chartered Accountants of Sri Lanka dated 2nd March 2012.					
7 There has been no significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 March 2012.					

NOTES TO THE FINANCIAL STATEMENTS CONTD...

8 Twenty Largest Shareholders

	as at 31/12/2012		as at 31/03/2012	
	Number of Shares held	% of the Holding	Number of Shares held	% of the Holding
1 R.P.C Mangement Services (Pvt) Ltd	44,998,397	83.40	19,823,844	73.48
2 Mr C.P De Silva	780,500	1.45	780,500	2.89
3 Amina Investment Ltd	600,000	1.11	187,000	0.69
4 David Pieris Motor Company Ltd	539,547	1.00	610,081	2.26
5 Mr M.N Singa Laxana	275,100	0.51	-	-
6 Mr.M. Radhakrishnan	260,600	0.48	260,600	0.97
7 Seylan Bank Ltd/Govindasamy Ramanan	205,680	0.38	-	-
8 HSBC International Nominees Ltd-SSBT-Deutsche	141,600	0.26	70,800	0.26
9 Commercial Bank of Ceylon PLC - Mr G. Ramanan	130,800	0.24	65,400	0.24
10 Confifi Management Services (Pvt)Ltd	100,200	0.19	50,100	0.19
11 Mr. S P Jayakumar	100,000	0.19	-	-
12 Freudenberg Shipping Agencies Ltd	95,500	0.18	95,500	0.35
13 J B Cocoshell (Pvt)Ltd	93,600	0.17	-	-
14 Dee Investment(Pvt)Ltd	84,100	0.16	84,100	0.31
15 Mr J Asanth Priyantha	80,898	0.15	89,400	0.33
16 Mr. R R S Ananda	80,000	0.15	80,000	0.30
17 Mr. W S R Fonseka	65,800	0.12	-	-
18 Mr R.A Kelly	60,206	0.11	47,566	0.18
19 Mr M.S.M Fernando	50,200	0.09	-	-
20 Emerging Markets Investment Management (Pvt)Ltd	50,000	0.09	50,000	0.19
	48,792,728	90.43		
Balance held by 16,883 shareholders (2011/12 - 16,703 Shareholders)	5,160,762	9.57	4,285,945	15.89
Total no. of Shares	53,953,490	100.00	26,976,745	100.00

The percentage of shares held as at

	31/12/2012		31/03/2012	
	Number of Shares	%	Number of Shares	%
Public Holding	8,952,293	16.59	7,146,801	26.49
Other Holding	45,001,197	83.41	19,829,944	73.51
Total	53,953,490	100.00	26,976,745	100.00

9 The number of shares held by the Board of Directors are as follows:

As at	31/12/2012	31/03/2012
Dr.S.Yaddehige	-	-
J H P Ratnayake	-	-
S S Poholiyadde - Appointed w.e.f. 15.08.2012	-	-
S.P. Jayakoddy (Resign w.e.f 13/08/2012)	-	4,700
Dr.A.Ekanayake (Resign w.e.f 31/08/2012)	-	-
Dr.H.S.D. Soysa	2,800	1,400

SEGMENT INFORMATION

Geographical Segment

For the Nine months ended 31 December 2012

	Maskeliya		Upcot		Talawakelle		Bandarawela		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000	Rs. ' 000
Revenue	769,103	622,149	1,010,332	865,084	534,179	419,224	409,304	418,927	2,722,918	2,325,384
Revenue Expenditure	(578,153)	(564,064)	(754,346)	(817,223)	(396,331)	(397,155)	(429,558)	(483,232)	(2,158,388)	(2,261,674)
Depreciation/ Amortization	(22,289)	(21,030)	(22,677)	(22,804)	(16,260)	(16,749)	(17,648)	(16,268)	(78,874)	(76,851)
Gratuity	(14,378)	(78,904)	(20,789)	(118,484)	(8,952)	(53,214)	(13,730)	(73,968)	(57,849)	(324,570)
Segment Results	154,283	(41,849)	212,520	(93,427)	112,636	(47,894)	(51,632)	(154,541)	427,807	(337,711)
Other Income									22,426	10,088
Administration Expenses									(32,706)	(34,055)
Management Fees									(140,879)	(99,322)
Finance Cost									(97,026)	(75,256)
Income Tax expenses									-	-
Profit /(Loss)for the period									179,622	(536,256)

The above figures are subject to audit

CORPORATE INFORMATION

Name of Company	Maskeliya Plantations PLC
Legal Form	A Quoted Public Company with Limited Liability Incorporated in Sri Lanka.
Date of Incorporation	22nd June 1992
Company Registration No	PQ 134
Principal Business Activities	Cultivation, Manufacture and Sale of Tea, Planting and Cultivation of Timber.
Stock Exchange Listing	The Ordinary Shares are listed with the Colombo Stock Exchange of Sri Lanka.
Registered / Head Office	310, High Level Road, Nawinna, Maharagama Sri Lanka
Ultimate Parent Enterprise	Richard Pieris & Company PLC
Board of Directors	Dr. Sena Yaddehige - Chairman J H P Ratnayeke - Deputy Chairman S S Poholiyadde - Appointed w.e.f. 15.08.2012 S P Jayakoddy - Resigned w.e.f. 13.08.2012 Dr.A Ekanayake - Resigned w.e.f. 31.08.2012 Dr. H S D Soysa
Secretaries	Richard Pieris Group Services (Private) Limited 310, High Level Road, Nawinna, Maharagama. Sri Lanka Telephone: +(94) 11-4310564
Auditors	Messrs Ernst & Young Chartered Accountants 201, De Saram Place, Colombo 10, Sri Lanka.
Bankers	Sampath Bank - Nawam Mawatha Branch Bank of Ceylon - Corporate Branch & Regional Branches Seylan Bank - Millennium Branch Hatton National Bank - City Office NDB Bank
Legal Advisors	Paul Ratnayeke Associates International Legal Consultants Solicitors and Attorneys-at-law No.59, Gregory's Road Colombo 07.
Contact Details	Telephone : +(94) 11 4310888 Facsimile : +(94) 11 4310835 Internet : www.arpico.com E-mail : mpl.rpk@arpico.com